

FISCAL IMPACT STATEMENT ON BILL NO. **S.909, as Amended**

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TO: The Honorable John E. Courson, Chairman, Senate Education Committee
FROM: Office of State Budget, Budget and Control Board
ANALYSTS: Bryce Wilson
DATE: February 20, 2008 SBD: 2008116

AUTHOR: Senator Bryant PRIMARY CODE CITE: 59-111-25
SUBJECT: Scholarships for National Guard Bronze Star Recipients

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

This Bill, as amended, would amend the Code of Laws by adding a provision that would grant members of the South Carolina National Guard or Reserve Components that are awarded a Bronze Star Medal or higher military award along with a combat patch free tuition to any state supported college, university or technical education institution.

EXPLANATION OF IMPACT:

The impact of this Bill would be in the form of decreased tuition revenue to the state's public colleges and is estimated to range between \$531,563 and \$1,473,640 annually. The Commission on Higher Education (CHE) indicates there are 2,879 veterans, reservists, and guardsmen presently enrolled in the state's 33 public institutions and receiving veteran benefits. The SC National Guard estimates that of the 8,000 members deployed since September 11, 2001, about 280 (3.5% of the total) would qualify for the scholarships to date based on the criteria contained in the Bill. The average tuition at the state's colleges and universities (including technical colleges) is approximately \$5,263. Assuming 3.5% of the current 2,879 enrolled veterans, reservists and guardsmen qualify the impact on tuition revenue can be estimated at \$531,563. However, enactment may result in additional Bronze Star recipients enrolling because of the free tuition. Therefore, the maximum impact can be estimated at \$1,473,640 (280 x \$5,263). Tuition schedules may have to be adjusted if the loss of revenue becomes significant to any one institution.

SPECIAL NOTES:

The change in the fiscal impact on this Bill is as a result of obtaining additional information concerning the number of Bronze Star recipients since issuance of the original fiscal impact dated February 5, 2008 and the amendment to the Bill. The change in the estimate is not as a result of the amendment alone.

Approved by:



Harry Bell
Assistant Director, Office of State Budget